

EFFECTIVE DATE: October 1, 2006

REVISION DATE: June 16, 2006

SUBJECT: **DELEGATE AGENCY PROCEDURES FOR REQUESTING  
ADVANCED PAYMENTS**

## **PURPOSE**

To establish a uniform process in which Delegate Agencies request advanced payments.

## **RESPONSIBILITY**

### **Delegate Agencies**

- 1) All Delegate Agencies in need of advanced payments shall ensure that advanced payments are approved by the Director of the Department of Community Initiatives (DCI). The Agency should maintain, in its files, a copy of the approval letter that includes authorization signatures.
- 2) All Delegate Agencies shall ensure that advanced payments comply with contractual and funding source requirements.
- 3) Delegate Agencies shall provide requests for advanced payments no less than 30 calendar days prior to the funding need in order to ensure that payment is received prior to the need for funds.
- 4) All Delegate Agencies shall ensure that it makes payments to its vendors or staff within 10 calendar days after the Contractor is notified that a check is available from the City. If the funding source requires a shorter time frame than 10 calendar days, the Agency shall ensure that the funding source requirements are met.
- 5) Delegate Agencies must deposit City funds in an account in a bank insured with the Federal Deposit Insurance Corporation (FDIC). In those situations where Contractor's total deposits in said bank, including all City funds deposited in such account, exceed the FDIC insurance limit, the Contractor must arrange with said bank to automatically have the excess collaterally secured. A written copy of the collateral agreement must be obtained by Contractor from the Contractor's banking institution, maintained on file and be available for City monitoring reviews and

audits. Advanced funds that causes the Contractor's account balance to exceed \$100,000.00 shall be deposited in a manner consistent with the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) as amended.

### **Program Monitor**

- 1) It is the responsibility of the Program Monitor to notify their assigned Delegate Agencies / subcontractors regarding this directive.
- 2) Program Monitor is the DCI employee who is the first point of contact for the Delegate Agency. The Program Monitor is assigned the responsibility of ensuring that all contract and DCI administrative and reporting requirements are met.

### **Fiscal Monitor**

- 1) Fiscal Monitor is the DCI employee who processes all payments.
- 2) It is the responsibility of the Fiscal Monitor to provide technical assistance to their assigned Delegate Agencies / subcontractors regarding this directive.
- 3) The Fiscal Monitor shall ensure that advanced payments that have been approved are processed in a timely manner.

### **Fiscal Planning Manager**

- 1) The Fiscal Planning Manager has the authority to make exceptions to this directive on a case-by-case basis.

## **III. REFERENCE**

Delegate Agency Contract Article IV

## **IV. Requests for Advanced Payments**

Delegate Agencies wishing to request advanced payments shall submit, to their Program Monitor, a letter addressed to the Director of the Department of Community Initiatives, requesting an advanced payment. At a minimum, the letter should include the following information:

- 1) Description of the item for which the advanced payment will be used
- 2) Amount of advanced payment requested
- 3) Justification for the need for an advanced payment

- 4) A statement that the funds are secured either by FDIC, the bank or deposited in a manner consistent with the Public Funds Investment Act
- 0) Signature on the letter by an authorized agency representative
- 0) A check box for the Director of DCI to approve / disapprove
- 0) A blank space for the Director of DCI to sign

DCI Staff Steps are as follows:

Step 1) The Program Monitor completes his/her section of the Advanced Payment Form and forwards the Advanced Payment Checklist and the agency request letter to the Division Manager

Step 2) The Division Manager signs the Advanced Payment Checklist recommending either approval or disapproval of the request for advanced payment

Step 3) The Division Manager provides the Advanced Payment Checklist and the agency letter to the Fiscal Planning Manager

Step 4) The Fiscal Planning Manager or his designee recommends approval or disapproval of the request for advanced payment

Step 5) The Fiscal Planning Manager submits the Advanced Payment Checklist and the agency letter to the appropriate Assistant Director

Step 6) The Assistant Director recommends approval or disapproval of the request for advanced payment and submits the Advanced Payment Checklist and the agency letter to the Department Director for final approval

Step 7) The Office of the Director returns the original request to the Division for their files with a copy to the Assistant Director and Fiscal Planning Manager

Step 8) Fiscal Planning Manager notifies the Fiscal Monitor that the advanced payment has been approved or disapproved

Step 9) If the Director of the Department of Community Initiatives has approved the Advanced Payment, the Fiscal Monitor will process the payment

Step 10) Recapture of advanced payments will either be deducted fully from payment on the next invoice(s) or may be divided equally among all remaining payments due on the contract as requested by the agency and approved by DCI

V. Distribution of this Department Directive

The respective Division Program Monitor will make this Directive available to all Delegate Agencies.

Any questions regarding the content of this Directive should be referred to the Department of Community Initiatives' Contract Services Manager.

VI. **ATTACHMENT(s)**

Sample Request for Advanced Payment letter  
Advanced Payment Checklist



Dennis J. Campa

Director

Department of Community Initiatives

6/19/06

Date Signed

## SAMPLE LETTER TO REQUEST ADVANCED PAYMENTS

THIS LETTER SHOULD BE PUT ON AGENCY LETTERHEAD STATIONARY AND SENT TO THE PROGRAM MONITOR

Date

Dennis J Campa, Director  
Department of Community Initiatives  
115 Plaza de Armas, Ste 210  
San Antonio, TX 78205

Dear Mr. Campa,

Our Agency, under its Delegate Agency Contract Number (INSERT CONTRACT NUMBER FROM FRONT PAGE OF CONTRACT) for the (NAME OF PROGRAM) is requesting an advanced payment in the amount of \$0.00 for (INSERT DESCRIPTION OF THE ITEM FOR WHICH THE ADVANCED PAYMENT WILL BE USED) from the (NAME OF THE LINE ITEM I.E. PERSONNEL SERVICES, CONTRACTUAL SERVICES, COMMODITIES, FIXED CHARGES, CAPITAL OUTLAY) line item in our contract.

We are in need of this advanced payment because \_\_\_\_\_.

In order to reconcile this advanced payment with our actual expenses, we request that the amount of this advanced payment to PICK ONE 1) be deducted fully from payment due on the next (you can insert a number in here) invoice(s) or 2) be divided equally among all remaining payments due on the contract.

Our agency will deposit City funds in an account in a bank insured with the Federal Deposit Insurance Corporation (FDIC) and I ensure that our agency's total deposits in this account PICK ONE OF THESE 3 OPTIONS 1) do not exceed the FDIC insurance limit 2) have been secured by the bank and we have obtained a written copy of the collateral agreement from the bank OR OPTION #3 STANDS ALONE WITHOUT THE FIRST SENTENCE OF THIS PARAGRAPH 3) These funds shall be deposited in a manner consistent with the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) as amended.

Sincerely,

NAME OF SIGNATORY  
NAME OF AGENCY

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☐ Approved

☐ Disapproved

\_\_\_\_\_  
Dennis J Campa, Director  
Department of Community Initiatives

\_\_\_\_\_  
Date

CITY OF SAN ANTONIO  
DEPARTMENT OF COMMUNITY INITIATIVES  
**ADVANCED PAYMENT CHECKLIST**

**DATE:** Today's Date

**SUBJECT:** Advanced Payment for Name of Contractor, Program/Project and Fiscal Year (SAP Contract #46XXXXXX)

**DIVISION:** Name of the Division

**PROGRAM MONITOR:** Name of Program Monitor

**FISCAL MONITOR:** Name of Fiscal Monitor

**FUNDING SOURCE:** Name of Grantor and Grant or General Fund

**CONTRACT TERM:** Date the contract begins and ends

**Program Monitor checklist for approval of advanced payments:**

Circle one

- |     |    |  |
|-----|----|--|
| Yes | No | 1. Has the agency adequately justified the programmatic need for the advanced payment?   |
| Yes | No | N/A 2. Is the agency meeting performance? (N/A would be used for advanced payments to be made prior to start of the work.)   |
| Yes | No | N/A 3. Is the agency current on all requested/required Reports? (N/A would be used for advanced payments to be made prior to due date of the first report.)                  |
| Yes | No | 4. Is an advanced payment allowable by the grantor?  |
| Yes | No | 5. Is this the first advanced payment requested by this agency during the term of this contract?<br>If no, how many have they requested in the past for this contract? _____ |

Based on my review of documentation submitted, I ☐ recommend ☐ do not recommend approval of this Advanced Payment.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Program Monitor

Based on my review of documentation submitted, I ☐ recommend ☐ do not recommend approval of this Advanced Payment.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Division Manger

**Fiscal Monitor checklist for approval of budget revision:**

Circle one

- |     |    |   |
|-----|----|---|
| Yes | No | 1. Has the agency adequately justified the financial need for the advanced payment? |
| Yes | No | 2. Is this a fixed charge or a personnel charge?                                    |

Yes	No	3. Is an advanced payment allowable by the grantor?
Yes	No N/A	4. Is the agency on target for expenditures of budget? (N/A would be used for advanced payments to be made prior to receipt of the first invoice.)
Yes	No N/A	5. Has the agency submitted all required documentation for prior advances and other invoices?

Repayment of this advanced payment will (Check one)

- ☐ Be deducted fully from the next invoice(s)  
☐ Be divided equally among all remaining payments due on the contract

Based on my review of documentation submitted, I ☐ recommend ☐ do not recommend approval of this Advanced Payment.

_____	_____
Date	Fiscal Monitor

Based on my review of documentation submitted, I ☐ recommend ☐ do not recommend approval of this Advanced Payment.

_____	_____
Date	Fiscal Planning Manager

Based on my review of documentation submitted, I ☐ recommend ☐ do not recommend approval of this Advanced Payment.

_____	_____
Date	Assistant Director

Based on my review of documentation submitted, I ☐ recommend ☐ do not recommend approval of this Advanced Payment.

_____	_____
Date	Director, Department of Community Initiatives